

## DOT Bonding Assistance Program

### Program Goal

The Bonding Program offers certified minority, women-owned and disadvantaged business enterprises (DBEs) an opportunity to obtain bid, payment and performance bonds for transportation-related projects.

### Program Structure

The Program provides an 80% guarantee against losses on contracts up to \$1,000,000. DOT approved surety companies perform Bond approval and issuance.

### Program Administration

The Program is sponsored by the U.S. Department of Transportation's (DOT) Office of Small and Disadvantaged Business Utilization (OSDBU). Funding for the guarantees is provided by DOT's OSDBU and is administered by local bond agents that are located in designated areas of the country.

### Bond Application

Bond applications may be obtained from designated local bond agents (see list below) or from the OSDBU.

### Required Information

Bond applications include a list of information items to be furnished. Among them are the following:

- Business financial statements for the previous two years, prepared by an independent accountant/CPA
- Company and contract performance history
- Uncompleted contracts schedule
- References from banks, suppliers and agencies/contractors
- Bid/proposal solicitations
- References from banks, suppliers and agencies/contractors for which contracts were performed
- History of the company

### Application Assistance

Firms may consider utilizing the services of the U.S. Department of Commerce Minority Business Development Centers (MBDCs), the Small Business Development Centers (SBDCs), State Supportive Services Contractors for state DOTs, and Procurement Technical Assistant Centers (PTACS) as possible sources for assistance in preparing bond applications.

### Eligibility

Firms are eligible to participate in the Program when certified as DBE by an agency using DOT guidelines (49 CFR, Part 26). Also, firms certified as 8(a) companies by the U.S. Small Business Administration under Section 8(a) of the US Small Business Act, Small Disadvantaged Businesses (SDBs), Hubzone Empowerment Contracting Program Businesses and Service Disabled Veterans are eligible to participate in the Bonding Program.



***For General Information:***

U.S. Department of Transportation  
 Office of Small and Disadvantaged  
 Business Utilization S-40  
 400 Seventh Street, S.W., Room 9410  
 Washington, DC 20590  
 Telephone: (800) 532-1169  
 (202) 366-1930

**Most Often Asked Questions About the DOT Bonding Assistance Program**

The following questions and answers have been developed as a guideline to the program qualifications and procedures:

**Q: Who can participate in the DOT Bonding Assistance Program?**

A: The DOT Bonding Assistance Program is available to any company, which holds or is in the process of obtaining a transportation-related contract and is certified as a DBE by any agency applying DOT certification requirements. It also applies to any firm certified by the U.S. Small Business Administration as an 8(a) firm, Small Disadvantaged Business (SDB), Hubzone Empowerment Contracting Program business and/or Service Disabled Veterans.

**Q: What types of bonds are available?**

A: Bid proposal, payment and performance bonds are all available through the DOT Bonding Assistance Program to support transportation-related contracts up to \$1,000,000.

**Q: Is there any fee involved?**

A: All bonds issued through the DOT Bonding Assistance Program shall have a standard fee of no more than two and one half (2 1/2) percent. All fees shall be paid directly to the surety by the DBE.

**Q: How do I apply?**

A: If you are in one of the Bonding Program areas, as listed on the following pages, you may contact the local agent for an application. Completed applications are forwarded to the local agent. If a Bonding Program is not listed for your area, you may contact the OSDBU for assistance.

**Q: What type of information needs to be included with the application?**

A: The bond package must include all information contained in the application form, as well as, exhibits or an explanation for any omission(s) must be submitted with the package.



**Q: Where can I obtain assistance in preparing the application package?**

A: Firms may consider utilizing the services of the U.S. Department of Commerce Minority Business Development Centers (MBDCs), the Small Business Development Centers (SBDCs), or State Supportive Services Contractors for state DOTs as possible sources for assistance or guidance in preparing bond package. The Bonding Program will also accept packages developed by private sources and organizations.

**Q: Who makes the final decision for bond approval?**

A: The firm has an opportunity to correct any deficiencies before the application is sent to a surety by the local bonding agent. The surety company performs the final underwriting and either issues the bond, or denies it. Decisions for the issuance of all bonds are the responsibility of the surety. DOT provides an 80% guarantee to the surety against losses.

**Q: Must I submit my application to Washington, DC for approval?**

A: The DOT has initiated several Bonding Programs throughout the country where local agents have the authority to issue bonds directly to the DBE in an expeditious manner. In order to determine whether a Bonding Program is located in your area, please review the listing of program agents, or you may contact OSDBU for further information.

**Q: Can I apply for Bond Readiness?**

A: Bond Readiness will be performed by the surety or local agents for firms interested in seeking transportation-related contracts. Bond Readiness will consist of a complete package review and preliminary underwriting. Bond packages may be maintained with the current financial data for a period of 90 days, at which time the DBE will be requested to update any part or the overall bond package. If you fail to inform your agent to maintain your package after 90 days has expired, your application will be returned

*For more specific information on the Bonding Assistance Program, please contact:*

**DOT Bonding Program Agents****States of AL, FL, NC, Caribbean Islands**

Linda Burton  
Clarion Insurance Agency of America, Inc  
1868 N. University Drive, Suite 301  
Plantation, FL 33322  
Phone (954) 423-2311  
FAX (954) 423-1192

**States of GA, KY, TN**

Bob Hrehor  
BDH Associates  
620 Hillcrest Rd., Suite 400  
Atlanta, GA 30247  
Phone (770) 564-2999  
FAX (770) 564-9327

**States of AK, ID, OR, WA, UT, CO**

Mary Faure  
The Bond Shop, Inc.  
P.O. Box 1612  
Mukilteo, WA 98275  
Phone (425) 772-1970  
FAX (425) 265-1328

**Orlando, FL**

Brad Harris  
Security Bond Associates, Inc.  
2909 Fairgreen Street  
Orlando, FL 32803  
Phone (407) 896-1162  
FAX (407) 896-8393



**Tallahassee, FL**

Nancy Landry  
 Security Bond Associates, Inc.  
 1327 N. Adams Street  
 Tallahassee, FL 32303  
 Phone (850) 224-3060  
 FAX (850) 224-6040

**State of CA**

Jim R. Olsen  
 J.R. Olsen Bonds & Insurance Brokers, Inc  
 7407 Topanga Canyon Blvd  
 Canoga Park, CA 91303  
 Phone (818) 227-2620  
 FAX (818) 227-2632  
 \*\*(Serving Southern CA)

**State of CA**

Richard Jaffee  
 Jaffee Bonds & Insurance  
 809 Second Street  
 Santa Rosa, CA 95402  
 Phone (707) 546-4910  
 FAX (707) 546-4931  
 \*\*(Serving Northern CA)

**State of TX**

Rich Barrick  
 Allied Surety Agency, Inc.  
 806 Victoria Lane  
 Southlake, TX 76092  
 Phone (817) 410-7993  
 Toll Free: 1-800-447-7802  
 FAX (817) 410-7994  
 Email: [allied@alliedsurety.com](mailto:allied@alliedsurety.com)  
 Website: [www.alliedsurety.com](http://www.alliedsurety.com)

**State of IN**

Bob Stimpson  
 Alexander & Alexander  
 251 N. Illinois, Ste 1500  
 Indianapolis, IN 46204  
 Phone (317) 237-2402  
 FAX (317) 237-2461

**State of OH**

Frank & John Abrams  
 American Contractors Indemnity Co.  
 4030 Mt. Carmel Tobasco Road  
 Cincinnati, OH 45255  
 Phone (513) 688-0800  
 FAX (513) 688-0300

**State of OH**

Frank Lech  
 O'Leary Kientz  
 2133 Luray Ave  
 Cincinnati, OH 45206  
 Phone (513) 872-5700  
 FAX (513) 872-5716

**States of NC & SC**

Wayne McCartha  
 McCartha, Cobb  
 1407 Calhoun Street  
 Columbia, SC 29201  
 Phone (803) 799-3474  
 FAX (803) 799-3711

**State of IL**

Glen Evans  
 Glen A. Evans & Company  
 16123 South Park Avenue  
 South Holland, IL, 60473  
 Phone (708) 339-9550  
 FAX (708) 339-9587

***For Additional Information, Please Contact:***

Arthur D. Jackson  
 Chief of Field Operations/Surety Bond Manager  
 DOT Surety Bond Division  
 U.S. Department of Transportation  
 Phone: (800) 532-1169 or  
 (202) 366-5344  
 Fax: (202) 366-7538

